5. It is requested that contents of this letter may kindly be brought to the notice of all the treasuries and Public sector undertakings etc., under your administrative control,

R. D. KHANWALKAR,
Under Secretary to the Government of India.

'COPY'

M. N. SUBRAMANYAM
Section Officer,
F. D. (Resources).

Copy of letter F. No. 66 (2) Ins. I/73, dated 30th June 1974 from the Government of India, Ministry of Finance (Department of Revenue and Insurance) (Insurance Wing), Ashoka Road, New Delhi addressed to All the Ministers, State Government and Department of the Government of India.

Sub :—Change of address of the Insurance Wing of the Ministry of Finance, Department of Revenue and Insurance.

The Insurance Wing of the Ministry of Finance Department of Revenue and Insurance has been shifted from North Block Central Secretariat, New Delhi to Nirvachan Sadan (5th Floor), Ashok Road, New Delhi. All the communication intended for Insurance Wing may, therefore, kindly be sent at the above address.

R. D. KHANWALKAR,
Under Secretary to the Government of India.

'COPY'

M. N. SUBRAMANYAM,
Section Officer,
F.D. (Resources).

GOVERNMENT OF KARNATAKA

KARNATAKA GOVERNMENT SECRETARIAT
VIDHANA SOUDHA,

FROM
Secretary to the Government of Karnataka
Finance Department, Bangalore.

To
The Secretaries to Government
and
The Heads of Departments.

Sir,

Sub :—Deduction of income-tax at source Sections 194A and 195 of the Income-tax Act, 1961-Deduction from interest other than interest on securities-Financial year 1974-75.

ORDER No FD 32 RLG 74, BANGALORE DATED 31ST JULY 1974.

I am to forward herewith a copy of Circular No. 134, F. No. 275/12/74-ITJ dated 16th May 1974, from the Government of India, Ministry of Finance (Department of Revenue and Insurance) New Delhi on the above subject for information and guidance.

Yours faithfully,

B. N. VENKAT RAO,
Under Secretary to Government, I/c
Finance Department

CIRCULAR No. 134.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
F. No. 275/12/74-ITJ
(Department of Revenue and Insurance).

Sub : Deduction of income-tax at source-Section 194A and 195 of the Income-tax Act, 1961 Deduction from Interest other than interest on securities Financial year 1974—75.

Under Section 194A of the Income tax, Act, 1961, any person not being an individual or a Hindu undivided family paying to a resident, any income by way of interest (other than interest on securities) if required, at the time of credit of such income to the account of the payee or at the time of the payment thereof in cash or by issue of a cheque or a draft, to deduct income-tax thereon at the rates in force. The rates for the financial year 1974-75 as prescribed in Part II of the First Schedule to the Finance Act, 1974 are as follows :—

	Income tax	*Surcharge*
(1) In the case of a person other than a company.	10%	Nil
(2) In the case of a company		
(a) where the company is a domestic company	20%	1%
(b) where the company is not a domestic company.	70%	3.5%

2. Under Section 195 of the Income-tax Act, 1961 any person responsible for paying to a non-resident, not being a company or to a company which is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividend within India, any interest (other than interest on securities), will be required at the time of payment, to deduct income-tax thereon at the rates in force. The rates prescribed for the purpose in part II of the First Schedule to the Finance Act, 1974 for the Financial year, 1974-75 are as under :—

	Income-tax	*Surcharge*
(1) In case of a person other than a company	30 %	3 %
	Or,	
	Income-tax and surcharge in respect of the Income by way of interest at the rates prescribed in sub-paragraph I of paragraph A of Part III of this Schedule (extract appended) if such income had been the total income.	
	Whichever is higher.	
(2) In the case of a company.	70 %	3.5 %

3. These instructions may please be brought to the notice of all concerned. In case of doubt, the Income-tax Officer concerned may be consulted.

K. R. RAGHAVAN,
Deputy Secretary to the Government of India

'Copy'

M. N. SUBRAMANYAN,
Section Officer,
F. D. (Resources)

Paragraph 'A'

Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of Individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act not being a case to which sub-paragraph II of this paragraph or any other paragraph of this part applies:—

	Rates of income-tax
(1) where the total income does not exceed Rs. 6,000	Nil
(2) where the total income exceeds Rs. 6,000 but does not exceed Rs. 10,000	12 per cent, of the amount by which the total income exceeds Rs. 6,000
(3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000	Rs, 480 plus 15 per cent of the amount by which the total income exceeds Rs. 10,000;
(4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	Rs, 1,230 plus 20 per cent of the amount by which the total income exceeds Rs. 15,000;
(5) where the total income exceeds Rs. 20,000 but does not exceed Rs, 25,000	Rs, 2,230 plus 30 per cent of the amount by which the total income exceeds Rs, 20,000;
(6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000	Rs, 3,730 plus 40 per cent of the amount by which the total income exceeds Rs. 25,000
(7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000	Rs. 5,730 plus 50 per cent of the amount by which the total income exceeds Rs. 30,000;
(8) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000	Rs. 15,730 plus 60 per cent of the amount by which the total income exceeds Rs. 50,000;
(9) where the total income exceeds Rs. 70,000	Rs, 27,730 plus 70 per cent, of the amount by which the total income exceeds Rs, 70,000

'Copy'

M. N. SUBRAMANYAN,
Section Officer,
F. D. (Resources).

Annual Administration Report of the working of the State Accounts Department for the year 1971-72.

REFERENCE :—

Letter No. CSA 7/Misc/AAR/AII/73-74 dated 6th February 1974 from the Controller, State Accounts Department.

ORDER No. FD 86 PSA 74, BANGALORE, DATED 10TH MAY 1974.

The Administration Report of the Karnataka State Accounts Department for the year 1971-72 is hereby recorded.

Shri R. V. Subramanyam, B.A., continued to be the Head of the Department during the year under review.